

United States Attorney Southern District of New York

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STONY POINT TOWN SUPERVISOR STEVEN HURLEY PLEADS GUILTY TO FEDERAL CORRUPTION CHARGES

JAMES B. COMEY, the United States Attorney for the Southern District of New York; PASQUALE D'AMURO, the Assistant Director In Charge of the FBI's New York Field Office announced that Stony Point Town Supervisor STEVEN M. HURLEY today pled guilty in Manhattan federal court to extortion, embezzlement and fraud charges. HURLEY pled guilty to a total of six felony charges before United States District Judge BARBARA S. JONES. The charges carry a maximum prison sentence of 95 years, as well as more than \$1 million in fines. Sentencing was scheduled for January 12, 2004.

The extortion charge to which HURLEY pled guilty alleges that between 1998 and 2002, HURLEY used the power of his office and fear of economic injury to extort more than \$14,000 from a contractor working in the Town of Stony Point. That charge was brought under a statute commonly referred to as the

Hobbs Act.

HURLEY also pled guilty to a charge that he conducted a mail fraud scheme to deprive the citizens of Stony Point of HURLEY's honest services. That charge alleged that through payoffs to HURLEY, ABRAHAM GOLDBERGER, a real estate developer with development projects in the Town of Stony Point, procured a corrupt relationship with HURLEY that enabled GOLDBERGER to, among other things, fraudulently obtain money from the Town.

Part of the scheme, according to the Indictment, involved HURLEY assisting GOLDBERGER in obtaining \$4,785 in Town funds for work that GOLDBERGER never did.

In addition, HURLEY pled guilty to charges that he both embezzled Town funds and committed wire fraud when he directed a contractor building a golf course for the Town to double-bill the Town for more than \$8,000 worth of construction work and, when paid twice, return the second payment, in cash, to HURLEY.

HURLEY also pled guilty to two mail fraud schemes to take money from his own campaign. The first involved taking more than \$1,500 from his campaign to pay for a family vacation in 1999, and the second involved diverting more than \$5,000 in campaign checks to personal bank accounts during 2001 and 2002. In connection with both schemes, the campaign's financial disclosure forms filed with the Rockland County Board of Elections were falsified to conceal the money HURLEY had taken.

Mr. COMEY thanked the Rockland County District
Attorney's Office for its assistance in this investigation, and
praised the investigative efforts of the FBI in this case.

Assistant United States Attorneys STEPHEN J. RITCHIN and JONATHAN LEIKEN are in charge of the prosecution.

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